

QUARTERLY PROGRAMMATIC REPORT

Program Manager Spencer Shepherd Phone #415-778-0999 x24
Project Manager Meghan Mazzoni Phone #415-281-0432
CALFED Project # 97-N02
Quarter Ending March 31, 1999

Deliverables

NOTE: The 97-N02 agreement was not fully executed until February 10, 1999.

<u>Deliverable</u>	<u>Due Date</u>	<u>% Complete</u>	<u>Date Deliverable Complete</u>
Task 1: Administrative Costs – Sacramento River Acq.			
<u>Subtask 1: Salaries/Benefits</u>	1/01	2%	
<u>Subtask 2: Services</u>	1/01	23%	
Task 2A: Acquisition of Properties – Sacramento River Conservation Area			
Acquisition of Kaiser Property	2/28/99	100%	2/26/99
Copy of Recorded Deed			Not yet available

Narrative

Activities Performed:

Task 1: Administrative Costs – Sacramento River Acquisition

Negotiation efforts, due diligence duties and project management pertinent to the acquisition of the Kaiser property and ten other properties currently in negotiation in the Sacramento River Floodplains were performed by the Project Director and a member of the senior staff. The Koehn property in Butte County (592 acres planted in walnuts and almonds) is in escrow and expected to close on or about May 1, 1999.

Task 2A:

Acquisition of the Kaiser property (approximately 666 acres) as an addition to the U.S. Fish & Wildlife Service Sacramento River National Wildlife Refuge was completed. The property was acquired at its appraised value and the transaction closed escrow on February 26, 1999 with title vesting in the United States. Perpetual management will be provided by the FWS as part of its normal refuge operations. TNC currently manages the property under a cooperative land management agreement with FWS and has started the process of baseline assessment. Approximately 130 irrigated acres have been leased to Loesch Bros. at \$135 per acre for row crop farming (corn) for crop year 1999. The net income will be used to support restoration activities on refuge lands including those purchased with CALFED funds.

Projected Expenses for Next Three Months:

Following is an estimate of costs for the next three months (April - June, 1999):

Month 1 \$30,000 Month 2 \$4,080,000 Month 3 \$ 30,000 Total for Quarter \$4,140,000